VZCZCXRO3624 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #2312/01 1430820 ZNR UUUUU ZZH P 230820Z MAY 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 3839 INFO RUEKJCS/SECDEF WASHDC PRIORITY RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY RUEAWJA/USDOJ WASHDC PRIORITY RULSDMK/USDOT WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC//J5// RHHMUNA/HQ USPACOM HONOLULU HI RHHMHBA/COMPACFLT PEARL HARBOR HI RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21// RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA RUAYJAA/CTF 72 RUEHNH/AMCONSUL NAHA 3641 RUEHFK/AMCONSUL FUKUOKA 1209 RUEHOK/AMCONSUL OSAKA KOBE 4773 RUEHNAG/AMCONSUL NAGOYA 0427 RUEHKSO/AMCONSUL SAPPORO 2088 RUEHBJ/AMEMBASSY BEIJING 7124 RUEHUL/AMEMBASSY SEOUL 3189 RUCNDT/USMISSION USUN NEW YORK 4349

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DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
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E.O. 12958: N/A

TAGS: OIIP KMDR KPAO PGOV PINR ECON ELAB JA

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 05/23/07

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## ARTICLES:

(1) Poll on Abe cabinet, political parties

YOMIURI (Page 2) (Full) May 22, 2007

Questions & Answers

(Figures shown in percentage. Parentheses denote the results of a survey conducted in March.)

Yes	49.6	(43.8)
No	36.8	(43.9)
Other answers (O/A)	3.5	(4.4)
No answer (N/A)	10.1	(7.9)

Q: (Only for those who answered "yes" to the foregoing question) Give up to two reasons for your approval of the Abe cabinet.

```
I can appreciate its political stance
                                               33.4
                                                           (27.4)
                                               14.9
                                                            (9.2)
It's stable
The prime minister is trustworthy
                                               23.2
                                                           (27.6)
There's a fresh image of the prime minister
                                               40.2
                                                           (43.4)
I can appreciate its economic policy
                                                6.2
                                                            (4.3)
I can appreciate its foreign policy
                                               15.2
                                                          (15.1)
Because it's a coalition of the Liberal Democratic Party and the New
Komeito
                                           10.7 (10.2)
                                                          (10.4)
                                               10.1
It's better than its predecessors
O/A+N/A
                                                4.8
                                                            (3.9)
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Q: (Only for those who answered "no" to the foregoing question) Give up to two reasons for your disapproval of the Abe cabinet.

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I can't appreciate its political stance 43.1 (44.4)
It's unstable 24.9 (32.0)
The prime minister is untrustworthy 25.2 (27.3)
The prime minister lacks political experience

16.7 (16.6)
I can't appreciate its economic policy 21.9 (19.3)
I can't appreciate its foreign policy 13.9 (10.7)
Because it's a coalition of the Liberal Democratic Party and the New
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Komeito	14.2	(8.6)
It's worse than its predecessors	7.5	(10.7)
O/A+N/A	3.8	(3.9)

Q: What issues do you want the Abe cabinet to pursue on a priority basis? Pick as many as you like from among those listed below, if any.

Economic, employment measures Fiscal reconstruction Tax reform, consumption tax Social security reform, including pension and		(50.0) (20.7) (30.0) systems (61.0)
Low birthrate countermeasures, including chil		
,	29.0	(30.6)
Educational reform	24.8	(24.1)
Administrative reform, including public servi	ce personne	l cuts
	17.6	(17.8)
Social divide, including income gaps	27.2	(26.9)
Yasukuni Shrine	8.4	(6.0)
Asia diplomacy, including China and South Kor	ea	
	15.0	(17.6)
North Korea	29.4	(33.3)
Defense, security	13.9	(12.7)
Constitutional revision	11.5	(7.2)
Crisis management, including disaster prevent	ion	
	11.0	(9.0)
Public security, crime prevention	26.6	(18.4)
Environmental protection	21.9	(18.4)
Food safety	15.0	(13.2)
O/A + nothing in particular + N/A	2.8	(2.8)

Q: Which political party do you support now? Pick only one.

Liberal Democratic Party (LDP)	38.5	(36.4)
Democratic Party of Japan (DPJ or Minshuto)	11.1	(11.3)
New Komeito (NK)	3.3	(2.1)
Japanese Communist Party (JCP)	1.8	(1.8)
Social Democratic Party (SDP or Shaminto)	0.9	(0.7)
People's New Party (PNP or Kokumin Shinto)	0.3	(0.1)
New Party Nippon (NPN or Shinto Nippon)	0.1	(0.1)

Other political parties		()
None	42.4	(46.0)
N/A	1.6	(1.5)

Q: What's your impression of Prime Minister Abe's ability to get things done?

He's done what he said 30.1 (19.5) He's failed to do what he said 59.1 (71.9) N/A 10.8 (8.7)

Q: What's your impression of Prime Minister Abe's leadership ability?

He's displayed leadership 26.3 (16.1) He's failed to display leadership 64.8 (77.5) N/A 8.8 (6.3)

Polling methodology

Date of survey: May 19-20.

Subjects of survey: 3,000 persons chosen from among all eligible voters throughout the country (at 250 locations on a stratified

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two-stage random sampling basis).
Method of implementation: Door-to-door visits for face-to-face interviews.
Number of valid respondents: 1,803 persons (60.1%).

(2) Poll on National Referendum Law

YOMIURI (Page 2) (Full) May 23, 2007

Questions & Answers (Figures shown in percentage)

Q: The National Referendum Law, which stipulates procedures to revise the Constitution, has now been enacted in the current Diet session. Do you appreciate this?

Appreciate very much	20.1
Appreciate somewhat	36.6
Don't appreciate very much	22.3
Don't appreciate at all	11.5
No answer (N/A)	9.5

Q: The National Referendum Law will come into effect after three years, so a national referendum for constitutional revision will be held in or after 2010. Do you think political parties should further activate debates on the Constitution?

Yes	56.2
Yes to a certain degree	22.8
No to a certain degree	8.0
No	6.4
N/A	6.0

Q: The National Referendum Law makes those aged 18 and over eligible to vote in a national referendum. However, unless the age for the right to vote in elections and the adult age are changed to 18 and over, the age of those eligible to vote in a national referendum will be 20 and over. Do you think the age of those eligible to vote in a national referendum should be 18 and over or should be 20 and over?

18 and over 30.4 20 and over 52.7 Can't say which 14.6 N/A 2.0

Polling methodology

Date of survey: May 19-20.

Subjects of survey: 3,000 persons chosen from among all eligible voters throughout the country (at 250 locations on a stratified two-stage random sampling basis).

Method of implementation: Door-to-door visits for face-to-face interviews.

Number of valid respondents: 1,803 persons (60.1%).

(3) Government, ruling coalition to reduce important bills at last stage of current Diet session

NIHON KEIZAI (Page 2) (Full) May 22, 2007

With only one month left before the end of the current Diet session,

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the government and ruling parties are in hurry to prioritize important bills. Placing top priority on Prime Minister Shinzo Abe's wishes, it is now certain that the Diet will pass a bill aimed at implementing the realignment of US forces in Japan and that the House of Representatives will approve a bill reforming the Social Insurance Agency in May. The outlook is that with an eye on the House of Councillors election in July the government and ruling coalition will make a final decision on the handling of a bill revising employment rules and a bill to revise the Political Funds Control Law.

"I want to enact the bills as soon as possible after conducting sufficient deliberations," LDP Upper House Caucus Secretary General Toranosuke Katayama said in a general meeting, which was held before deliberations on a set of three bills on educational reform at the plenary session.

The Upper House Education, Culture and Science Committee will began today deliberations on the bills, aiming at enacting them in mid-June. Although Abe has cited them as top priority of his cabinet, there is a sense of crisis in the LDP, with one senior Upper House member saying, "We must speed up the pace of deliberations as if we were a special committee."

The Upper House Foreign Affairs and Defense Committee will approve the USJF realignment bill today and the Upper House plenary session will pass it tomorrow. The committee is also expected to debate a bill to revise the Iraq Special Measures Law. The ruling camp expects that the Lower House Committee on Health, Labor and Welfare will take a vote on the bill reforming the Social Insurance Agency on May 25 and the Lower House will approve it before the end of May. The ruling parties hope to see the enactment of the bill in mid-June.

"The chief cabinet secretary won't be able to attend both sessions on education and Iraq. His schedule for the final stage of the ongoing Diet session is full," LDP Upper House Diet Affairs Committee Chairman Tetsuro Yano said nervously. New Komeito Upper House Diet Affairs Committee Chairman Hisashi Kazama underscored: "I want the Lower House to send the bill to the Upper House by June 7."

It would be difficult to hold deliberations on a bill calling for reviewing the minimum wage system, as well as for increasing the employment system. A view is strong in the ruling coalition that the bill should be passed even if the largest opposition party Minshuto (Democratic Party of Japan) opposes in consideration of the Upper House election. However, the Lower House Committee on Health, Labor and Welfare will start a full-scale debate on the bill after the Social Insurance Agency reform bill clears the Lower House. Some in the Upper House say, "The Lower House should keep the bill."

The LDP and New Komeito will submit to the Diet a bill to revise the Political Funds Control Law as early as next week after finalizing it at their taskforce on the 25th. The dominant view in the ruling camp is that they should play up their efforts to the public by enacting it as early as possible after deliberating it for two days in each Diet chamber.

In the ruling bloc, there is also a smoldering view calling for a cautious debate with an eye on a discussion with Minshuto to modify the bill. The expectation is that the main opposition party will carefully make a decision based on intensive deliberations on the

issue of "politics and money" at a Lower House Budget Committee session on May 23.

Schedule for deliberations on important bills

USFJ realignment bill:

Diet approval on May 23. Bill to revise the Juvenile Law

Diet approval on May 25.

Bill revising the Iraq Special Measures Law:

Lower House approval on May15. Diet approval in mid-June. Three education reform bills:

Lower House approval on May 15Diet approval in mid-June Bill to reform the Social Insurance Agency:

Lower House approval on May 8Lower House approval on May 29Diet approval in mid-June Bill to change the employment rules:

Start of Lower House deliberations on May 8Lower House approval in early June?Diet approval in late June? Bill to revise the Political Funds Control Law:

Start of Lower House deliberations in late May?Lower House approval in mid-June?Diet approval in late June? Bill to reform the civil service system:

Start of Lower House deliberations on May 15. Bill unifying the pension programs:

No prospect for deliberations.

(4) Ogata raps government's approach to facilitate US force realignment with subsidies; Ruling bloc forcibly takes vote on legislation

AKAHATA (Page 2) (Abridged slightly) May 23, 2007

A bill facilitating the realignment of US forces in Japan cleared the House of Councillors Foreign Affairs and Defense Committee yesterday with a majority approval by the Liberal Democratic Party and the New Komeito. The ruling bloc forcibly took a vote on the legislation only after 17 hours of deliberations in three days at the committee. The Japanese Communist Party, the Democratic Party of Japan (Minshuto or DPJ), and the Social Democratic Party opposed it.

The US force realignment is designed to integrate US forces in Japan and the Self-Defense Forces with the aim of creating new bases and a system enabling them to deploy globally. The legislation centers on plans to force Japan to bear the cost of relocating US Marine Corps from Okinawa to Guam - an internationally unprecedented case - and provide subsidies to base-hosting municipalities in reward for bearing greater burdens.

In yesterday's session, JCP lawmaker Yasuo Ogata criticized the legislation, saying: "The government's explanation that the burden on Okinawa will decrease is a lie. It is clear that the US force

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realignment will cause damage throughout the country, forcing Okinawa to bear a new burden." Ogata also insisted that the United States must naturally bear the cost of relocating US troops to Guam, its own territory, and that subsidies would cause rifts between base-hosting municipalities and their residents, forcing them to give in.

Meanwhile, Prime Minister Shinzo Abe indicated in the session that the US force realignment was necessary for the security of Japan, describing the subsidy plan as "natural." Ogata also grilled the government over the project to build US military housing in Guam for the troops from Okinawa at the expense of Japan, adding that a housing unit would cost as much as 85 million yen. In response, Abe simply said, "The figure is still being studied."

Defense Minister Fumio Kyuma in yesterday's session also indicated that the government would implement the agreed-upon US force realignment plans. At the same time, he said: "In the event local governments oppose them, we will try to convince them as much as possible. I wouldn't say categorically that we will not review them." He was replying to a question by Yasuo Ogata.

Citing a plan to relocate US aircraft drills from such bases as Kadena Air Base in Okinawa to mainland Japan, Kyuma said: "If candidate municipalities refuse to accept them, we could either force them or not force them."

Iwakuni City in Yamaguchi Prefecture, home to Marine Corps Air Station Iwakuni, held a referendum in March 2006 in which 90% of the residents said "no" to a plan to accept the carrier-borne aircraft from Yokosuka. Mayor Katsusuke Ihara also said: "The referendum exposed overwhelming public opinion. It must be taken seriously politically." Citing those events, Ogata pressed the government to halt the relocation plan.

But Kyuma indicated that the government would push ahead with the plan, saying: "Although we are aware that the mayor is in a difficult position, we have asked (Iwakuni) to accept the relocation plan."

Ogata also explained that a US aircraft relocation plan was called off following a November 2006 Jacksonville, Florida, referendum in which 60% of the residents expressed opposition. "The Japanese government is forcing the relocation plan on a municipality despite the fact that 90% of its residents are opposed to it. Such an attitude has prompted even those who have accepted bases to harbor a sense of distrust of the government," Ogata said.

(5) Opinions on collective self-defense (Part 2): New Komeito's policy chief Tetsuya Saito concerned that the party would be put in jeopardy should it allow Japan to take action

NIHON KEIZAI (Page 2) (Full) May 22, 2007

-- What is your view about the government's panel of experts to discuss the question of the exercise of the right to collective self-defense?

Saito: "I didn't want the government to establish the panel at this point. Studying various cases is fine, but establishing it now gives an impression that the government is rushing to constitutional revision, given that debate on the Constitution is about to start

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with the national referendum bill specifying the procedures for constitutional revision enacted recently. Prime Minister Shinzo Abe has said he wants to make constitutional revision a campaign issue in the upcoming Upper House election. I consider the expert panel as merely an advisory panel, as well as a tool for the prime minister to sort out his ideas.

"As a coalition partner, our party continues to emphasize the need for firmly upholding paragraphs 1 and 2 of Article 9. Pacifism is the foundation for Japanese economic growth. The Japanese Communist Party and the Social Democratic Party assert, 'We won't allow any changes in any word of a text,' but I don't think their assertion will be of great help in terms of opposing constitutional revision. Our party's position is that while maintaining the basic principles of the current Constitution, we will contribute 'additions to the Constitution' that would include new types of human rights."

-- Most panel members are in favor of exercising the right to

collective defense.

Saito: "I know such a viewpoint exists among them, but they are sincere about conducting their research and studies, so I don't think their discussion has a foregone conclusion. They (panel members) have understood well our assertion that 'the government's interpretation should not be changed so easily.' They will debate precisely the four cases shown by the government (such as whether the Self-Defense Forces (SDF) can intercept missiles targeting the US or can protect US vessels if they come under attacks on high seas)."

-- Don't you think the New Komeito is being slighted?

Saito: "I can't go as far as to say our party is being slighted because it remains to be seen what conclusion (the panel) will come up with. But misunderstanding could easily occur, so we are not necessarily happy with its establishment. If we assume an attitude that 'this case comes under the use of the right to collective defense, but we tolerate it because it is like the case of using the individual self-defense right,' our party's existence will be at stake. That is indeed a life-or-death matter for the party."

-- When it comes to the four cases, which case do you think falls under the use of the right to collective defense?

Saito: "If the government reinterprets the Constitution, it will lose international confidence. There is no chance that over the same case, the panel asserts that "Japan is allowed to take action even though the case comes under the use of the right to collective defense, while our party asserts that Japan is allowed to take action because doing so is 'the exercise of the individual defense right and allows Japan to do so.'

"A number of arguments are conceivable when it comes to intercepting ballistic missiles aiming at the US. The remaining three cases could be dealt with under the scope of the individual self-defense right."

(6) Battle between government, Minshuto heating up over pension records again

ASAHI (Page 2) (Excerpts) May 23, 2007

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In the current Diet session, the problem of unidentified records of pension premium payments is coming into focus in its final phase. There are about 50 million unidentified records among those kept by the Social Insurance Agency (SIA). With an eye on the upcoming House of Councillors election, the battle between the ruling and opposition parties over the pension issue now appears to be intensifying.

Benefits in 50 million cases left unpaid

In a meeting of the House of Representatives' Health, Labor and Welfare Committee yesterday, Tadahiko Tanizawa, a lawyer who was called by the Democratic Party of Japan (Minshuto) to give unsworn testimony, said: "I want you to understand how 350 pension subscribers to whom I provided legal consultation have been upset." He cited this specific case.

A 78-year-old man who lives in Nishinomiya, Hyogo Prefecture, applied with the SIA for pension benefits in 1994, when he turned 165. He had changed his place of work many times. He was told that there was no record of his working at a trucking company for one year and several months starting in 1949.

As a result of 10-year-long search efforts, this man finally found in 2004 a pension record bearing his name but a different company name from what he actually worked. He filed an application again that year, and the record was proved to be his.

Based on accounting regulations, however, this man received only

five years' pay starting from the year when the record was corrected, that is, from 1994 to 1999. He thus could not receive full benefits, despite his being eligible.

Pursued by such examples in Diet deliberations, Ministry of Health, Labor and Welfare (MHLW) Yanagisawa repeatedly said, "It is very regrettable." But since he has just said: "In order to prevent such cases, the SIA will conduct a survey when it receives an inquiry," triggering fierce reactions from the opposition camp.

As for eligible policyholders who have several pension records due to repeated marriages and changes in job, a SIA official said: "Before they begin to receive a pension, we will collect every record in a thorough way so that they will be provided full benefits." However, there are such cases as the man cited above. In the case of those who received several policy numbers before the agency introduced a system in 1997 to issue a single policy number to each person enrolled in the basic pension scheme, unless they file an application with the SIA, they will not be given a policy number.

There are about 50 million cases of such pension records that have been up in the air as of June 2006. In 28 million cases of them, policyholders are at the pension eligible age or beyond.

Based on the view that "there should be more pension eligible persons," Minshuto there has been calling on the government to promptly conduct investigations. But the SIA remains unresponsive. A senior member said, "It is conceivable that most of them are the records of those who have already died before receiving pension benefits." But the official added: "A few records of person receiving a pension might be included in them. It is impossible to find out everything, we cannot give clear-cut replies."

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Speculations, with eye on Upper House election

Minshuto regard the problem of pension records up in the air at the Social Insurance Agency (SIA) as a "major weapon to shake up the Abe administration," as a senior member said.

In the current Diet session, in the run-up to the Upper House election, the main opposition party remains unable to score points based on its appeal to the public by addressing the issue of expanding income disparities. Its presence tends to be overshadowed by the ruling camp, which holds two-thirds of all the Lower House seats.

At such a time, the pension record problem has emerged. Secretary General Yukio Hatoyama said: "This will be the top campaign issue in the Upper House election. We will shed light on this," keeping in mind the outcome of the 2004 Upper House election, in which Minshuto defeated the Liberal Democratic Party as a result of underlining the need to address the pension issue.

Even so, momentum is not fully gathering, compared with the situation three years ago. As a member of the Diet Affairs Committee said, "Since people knows little about the SIA issue, they are not angry. Informing them of the fact should be the most effective strategy," the opposition is ready to pursue the ruling coalition at every opportunity.

Minshuto has decided that if the ruling parties try to steamroll a vote on a bill to reform the SIA, it will put up an all-out resistance, with a submission of a non-confidence motion against MHLW Minister Yanagisawa.

Meanwhile, the ruling camp is hoping to put an end to the pension record issue, one member saying: "SIA reform and the pension issue are two different matters." Although cautious views are deep-seated in the LDP Upper House Executive, as one saying, "If we forcibly take a vote, the result might be a repetition of the outcome in the 2004 Upper House election." But a senior MHLW official expressed expectation for forcible vote on the bill.